

TITLE 13, DIVISION 1, CHAPTER 1

Article 3.6. BUSINESS PARTNER AUTOMATION PROGRAM

Sections 225.00, 225.03, 225.06, 225.09, 225.21, 225.35, 225.38, 225.45, 225.48, 225.54, and 225.72

§225.00. Definitions.

The following definitions shall apply to this article.

(a) ~~The term “BPA” shall identify~~ means the Business Partner Automation Program.

(b) ~~The term “BPA contract” shall be defined as~~ means an agreement between the State and a qualified private industry partner as authorized under Section 1685 of the Vehicle Code.

(c) ~~The term “Accountable inventory” shall be defined as~~ means inventory identified by a unique serial number that is assigned by the department. These items are the department issued license plates, ~~and~~ year stickers, and salvage and non-repairable vehicle certificates. These items are at all times the property of the department.

(d) “Business partner” means a qualified private industry partner as set forth in Section 1685 of the Vehicle Code.

(e) ~~The term “Controlled inventory” shall be defined as~~ means inventory that may impact the registration of vehicles and collection of fees. These items are the department issued computer DMV95A paper and month stickers. These items are at all times the property of the department.

~~(e)(f) The terms “First-line business partner,” “first-line service provider,” and “second-line business partner” shall be defined as set forth~~ means as defined in Section 1685(b)(1)(A) through (C) of the Vehicle Code. A business partner that acts as a registration service is subject to Chapter 2.5, Division 5 of the Vehicle Code unless otherwise exempt.

~~(f)(g) The term “Interface” shall be defined as~~ means the electronic exchange of information.

~~(g)(h) A “change in legal structure” shall be defined as~~ means a change between sole owner, partnership, corporation, Limited Liability Company or other legal entity.

~~(h)(j) The term “Owner” shall be defined as~~ means sole owner, partner (except for limited partner), Limited Liability Company members, or private and public corporation shareholders with 10% or more interest in the corporation.

NOTE: Authority cited: Sections 1651 and 1685, Vehicle Code. Reference: Sections 1685, Vehicle Code.

§225.03. Application Requirements.

A business partner applicant shall complete all requirements and submit to the BPA Program Administrator the following:

(a) A business partner applicant shall complete, sign and submit an application form for the appropriate type of business.

(1) The application form for a first-line business partner is a Business Partner Automation Application, First-Line Business Partner form, REG 4024 (REV. 4/2005 7/2007).

(2) The application form for a first-line service provider is a Business Partner Automation Application, First-Line Service Provider form, REG 4023 (REV. ~~4/2005~~ 7/2007).

(3) The application form for a second-line business partner is a Business Partner Automation Application, Second-Line Business Partner form, REG 4025 (REV. ~~4/2005~~ 7/2007).

(4) The application forms identified in Section 225.03(a)(1) through (3) of these regulations are hereby incorporated by reference.

(5) Each business partner owner shall be identified on the application form submitted pursuant to Section 225.03(a)(1) through (3) of these regulations.

(b) A business partner applicant shall pay a non-refundable application fee of three hundred and twenty-four dollars (\$324) for its principal place of business and one hundred and thirty dollars (\$130) for each site added with the application. Checks shall be made payable to the Department of Motor Vehicles. This fee shall be paid at the time the application is submitted. An application for a BPA contract shall be submitted via US mail or private courier to the following address: Department of Motor Vehicles, BPA Program Administrator, 2415 1st Avenue, MS ~~E383~~ C383, Sacramento, CA 95818.

(1) An application shall be valid for one year from the date the application is first received by the department. An applicant who fails to fulfill the requirements identified in this section within one year from the date the application is first received by the department must reapply and pay a new application fee.

(c) A business partner applicant shall provide the information required by the Business Partner Automation Program Information Security Pre-Implementation Checklist for First-Line Business Partner and First-Line Service Provider form, ~~INV (EXEC) 5555A~~ (NEW 11/2002) or the Business Partner Automation Program Information Security Pre-Implementation Checklist for Second-Line Business Partner form, ~~INV (EXEC) 5555B~~ (NEW 11/2002) and in the BPA contract.

(d) A business partner applicant shall submit a photocopy of the completed and signed Request for Live Scan Service form, DMV 8016 (Rev. 11/2001) in accordance with Section 225.06 of these regulations and a Statement of Personal History form, REG 4019 (Rev. 11/2002) for each owner and each employee. The Statement of Personal History form is hereby incorporated by reference. A business partner applicant shall submit the documents required by this section for all owners, managers, and administrative staff responsible for the oversight of the program or who manage, administer, supervise, or monitor transactions, inventory, employees, or money; order or account for inventory; and employees who process vehicle registration transactions or work directly with customers.

(1) A business partner applicant located out-of-state or with BPA site locations out-of-state shall submit fingerprints for each owner identified on the application form and each of its employees on a Fingerprint Card form, ADM 1316 (Rev. 1/97) or on a Request for Live Scan Service form in accordance with Section 225.06 of these regulations.

(A) The Fingerprint Card form shall be submitted to a local law enforcement agency. After the local law enforcement agency completes the form, processes for fingerprints, and signs and identifies itself, the form shall be returned to the

business partner owner or employee, who will submit the form to the BPA Program Administrator.

(B) The completed original fingerprint forms, along with a copy of the receipt from the local law enforcement agency for processing the form, a photocopy of each person's valid driver license or identification card issued by the state where the site is located, a completed and signed Personal History Statement form for each person, and the fee as authorized in Penal Code section 11105(e) for the Department of Justice (DOJ) fingerprint checks for each set of fingerprints shall be sent by trackable mail. Checks shall be made payable to the Department of Motor Vehicles.

(e) Fingerprints shall not be required when the person to be fingerprinted is a business partner owner who is currently an occupational licensee of the department and whose fingerprints have already been submitted to the department.

(f) The business partner applicant shall submit evidence of compliance with Section 225.09 of these regulations.

(g) A business partner applicant shall complete, sign and submit the Information Security and Disclosure Statement (Firm) form, EXEC 201X (REV. 3/2003), which is hereby incorporated by reference.

(h) A business partner applicant that is a registration service, a dismantler or a vehicle dealer licensed by the department shall submit a copy of the Occupational License form, OL 39 (REV. 7/2004) form as evidence of a valid occupational license. The form is hereby incorporated by reference.

(i) A business partner with BPA site locations out-of-state shall maintain an office in the State of California or designate a registered agent within the State of California for service of process.

(1) The identification of a registered agent within the State of California that is available for service of process shall be provided on an application form identified in Section 225.03(a)(1) through (3) of these regulations.

(j) The department will review a submitted application package and determine whether or not the application package is complete within thirty (30) days of the receipt of the application package as required by Section 225.03 of these regulations. After a determination has been made by the department; written notification shall be sent to the applicant informing the applicant that the application is complete and acceptable for filing or that the application is deficient and what specific information is required by the applicant. The department will review a complete application package and decide whether or not to enter into a BPA contract within ninety (90) days of receipt of the complete package.

NOTE: Authority cited: Sections 1651 and 1685, Vehicle Code. Reference: Sections 1652, 1653, and 1685, Vehicle Code.

§225.06. Fingerprints.

(a) A business partner applicant shall submit fingerprints for business partner owners and employees located in California to a Live Scan facility for each person identified in Section 225.03(d) of these regulations. A copy of the Request for Live Scan Service form, DMV 8016 (Rev. 11/2001) shall be submitted for any and all persons being fingerprinted prior to participation in the BPA.

- (1) The Request for Live Scan Service form shall contain the following:
 - (A) The typed or printed true, full name of the person fingerprinted.
 - (B) Any aliases used by the person fingerprinted.
 - (C) The birth date of the person fingerprinted.
 - (D) The birthplace of the person fingerprinted.
 - (E) The sex, height, weight, eye color and hair color of the person fingerprinted.
 - (F) The driver license or identification card number of the person fingerprinted and state of issue.
 - (G) The social security number of the person fingerprinted.
 - (H) The date the fingerprints are taken.
 - (I) The signature of the person taking the fingerprints.
 - (J) A statement that the Request for Live Scan Service form shall be for the purpose of determining approval to participate in the BPA.
 - (K) The home address and telephone number of the person fingerprinted.
- (b) A business partner applicant shall submit fingerprints for business partner owners and employees located out-of-state for each person identified in Section 225.03(d) of these regulations to a Live Scan facility or to any local law enforcement agency. A Fingerprint Card form, ADM 1316 (Rev. 1/97) shall be submitted for the person being fingerprinted prior to participation in the BPA.
 - (1) The Fingerprint Card form shall contain the following:
 - (A) The true, full name of the person fingerprinted.
 - (B) The signature of the person fingerprinted.
 - (C) The date the person is fingerprinted.
 - (D) The signature of the official at the local law enforcement agency taking the fingerprints.
 - (E) The name and address of the law enforcement agency performing the fingerprinting.
 - (F) Aliases (AKA) of the person fingerprinted.
 - (G) The driver license or state issued identification card number of the person fingerprinted.
 - (H) The sex, height, weight, eye color and hair color of the person fingerprinted.
 - (I) The birthplace of the person fingerprinted.
 - (J) The date of birth of the person fingerprinted.
 - (K) The social security number of the person fingerprinted.
 - (L) On the reverse side, the "Occupational Licensing Branch" box and "Other" box shall be checked and the notation "BPA" added to explain why the "Other" box is checked.
 - (M) The name of the business partner that is owned by or employs the person fingerprinted.
 - (N) The street address and city of the business partner that is owned by or employs the person fingerprinted.
 - (O) The position (title) in the business of the person fingerprinted.
 - (P) The street address and city of the person fingerprinted.

NOTE: Authority cited: Sections 1651 and 1685, Vehicle Code. Reference: Section 1685, Vehicle Code.

§225.09. Financial Security Requirements.

(a) Every applicant for issuance or renewal of a business partner permit shall submit the bond required by Vehicle Code section 1685(b)(2)(C) to the department on a Business Partner Automation Surety Bond form, REG 866 (Rev. 4/2005 7/2007), which is hereby incorporated by reference. The conditions of the bond shall be incorporated in the REG 866 form.

~~(1) The surety bond shall be valid for the term of its BPA contract plus three (3) months.~~

~~(2) A cash deposit as provided in Section 995.710 of the Code of Civil Procedure shall be acceptable in lieu of the surety bond.~~

(b) The amounts of financial security required shall be as follows:

(1) A first-line business partner shall maintain a bond in the amount of six hundred and fifty thousand dollars (\$650,000).

(2) A first-line service provider shall maintain a bond in the amount of one million dollars (\$1,000,000).

(3) A second-line business partner processing new vehicle reports of sale, vehicle or legal owner transfer, vehicle license fee (VLF) refund, duplicate title, a substitute vehicle license plate and sticker, a substitute vehicle license sticker, non-resident, vehicle registration renewal, miscellaneous original, new vessel, salvage, junk, nonrevivable junk or nonrepairable vehicle transactions or any combination thereof shall maintain a bond in the amount of fifty thousand dollars (\$50,000). NOTE: A second-line business partner processing registration renewal, a substitute vehicle license sticker, and a substitute vehicle license plate and sticker transactions only shall maintain a bond in the amount of ten thousand dollars (\$10,000).

~~(c) A business partner shall hold the State of California and any political subdivision thereof or any of its officers, agents, or employees harmless for monetary losses caused by the business partner's misuse of the information obtained from the department or obtained from customers for transactions processed by the business partner and secured by the bond.~~

~~(d) A rider for the surety bond may be accepted when adding processing transaction(s) to the surety bond.~~

(d) The agreement and assignment form accompanying a deposit given in lieu of a surety bond shall be on a Business Partner Deposit Agreement and Assignment form, (REG 4029, NEW 7/2007), which is incorporated by reference.

~~(e) A business partner shall pay to the department monies collected by the business partner and due to the department, including any transaction fee imposed in regulation or statute by the State under Vehicle Code section 1685.~~

~~(f) A business partner shall reimburse the State of California, or any political subdivision thereof, for any loss or damage that the State of California, or any political subdivision thereof, may suffer by reason of any act of the business partner, its agents or employees arising out of or related to the business partner's duties, functions or obligations as a business partner, in any amount up to the maximum amount secured under the bond, when any of the following conditions occur:~~

~~(1) Information obtained from the department or customers by false or misleading representations while performing the duties, functions and obligations of a business partner.~~

~~(2) Information obtained from the department and customers and used for any purpose other than specified in the regulations or BPA contract.~~

~~(3) Any other act resulting in monetary losses being suffered by the State of California, any political subdivision of the State of California, or any of its officers, agents or employees arising out of or related to the duties, functions and obligations of a business partner.~~

~~(g)~~ (e) A cash deposit shall be released by the department when the following conditions occur:

(1) five (5) years after the business partner ceases to do business in the BPA program when the department determines it is satisfied that there are no outstanding claims and unsatisfied final judgments against the business partner, or

(2) when the contract and permit expires and is not renewed and the department is satisfied that there are no outstanding claims and unsatisfied final judgments against the business partner arising out of or related to the duties, functions or obligations as a business partner.

NOTE: Authority cited: Sections 1651 and 1685, Vehicle Code. Reference: Section 1685, Vehicle Code and Sections 995.710 and 995.360, Code of Civil Procedure.

§225.21. Review of Criminal History Information.

(a) In reaching a decision on approval or disapproval of a business partner owner or employee to participate in the BPA, the BPA Program Administrator or a designee may review and consider the criminal history information provided by the California Attorney General pursuant to Section 11105(b)(9) of the Penal Code. This information may be used as part of the department's process in reaching a decision as it relates to Sections 225.00 et seq. of these regulations. The BPA Administrator or designee will consider the "Occupational Licensing and Disciplinary Guidelines" (Rev. 3/98 11/2006) incorporated by reference in Section 440.04, Article 6.1, Chapter 1, Division 1, Title 13, of the California Code of Regulations in reaching a decision.

(1) Deviation from the Guidelines is appropriate when the Director or designee, in his or her sole discretion, determines that the facts warrant such a deviation, for example, the presence of mitigating factors, how long ago the conduct, action, or offense occurred, evidentiary problems and customer complaints.

NOTE: Authority cited: Sections 1651 and 1685, Vehicle Code. Reference: Sections 1685, Vehicle Code.

225.35 Renewal.

(a) A business partner renewal applicant shall complete and submit the following to the BPA Program Administrator prior to the expiration of the contract and permit term:

(1) A completed and signed Business Partner Automation Program Renewal Application form, REG 5056 (~~NEW 2/2005~~ REV. 7/2007), which is hereby incorporated by reference.

(2) A completed and signed Information Security and Disclosure Statement (Firm) form, EXEC 201X (REV. 3/2003).

(3) A copy of the business partner's valid occupational license form, OL 39 (REV 7/2004), if applicable.

(4) A non-refundable renewal application fee of one hundred and ninety-eight dollars (\$198). Checks shall be made payable to the Department of Motor Vehicles.

A renewal application shall be received within thirty (30) days of the expiration date on the BPA Permit form, REG 4027 (REV. 6/2002). Applications received after that date shall be required to comply with the original application requirements as specified in section 225.03 in these regulations. The business partner shall not process any transactions after the expiration of the contract and permit without the completion and approval of the BPA renewal or original application.

NOTE: Authority cited: Sections 1651 and 1685, Vehicle Code. Reference: Section 1685, Vehicle Code.

§225.38. Business Partner Obligations.

(a) A business partner shall hold the State of California and any political subdivision thereof or any of its officers, agents, or employees harmless for monetary losses caused by the business partner's misuse of the information obtained from the department or obtained from customers for transactions processed by the business partner and secured by the bond.

(b) A business partner shall pay to the department monies collected by the business partner and due to the department, including any transaction fee imposed in regulation or statute by the State under Vehicle Code section 1685.

(c) A business partner shall pay to the State of California, or any political subdivision thereof, for any loss or damage that the State of California, or any political subdivision thereof, may suffer by reason of any act of the business partner, its agents or employees arising out of or related to the business partner's duties, functions or obligations as a business partner, in any amount up to the maximum amount secured under the bond, when any of the following conditions occur:

(1) Information obtained from the department or customers by false or misleading representations while performing the duties, functions and obligations of a business partner.

(2) Information obtained from the department and customers and used for any purpose other than specified in the regulations or BPA contract.

(3) Any other act resulting in monetary losses being suffered by the State of California, any political subdivision of the State of California, or any of its officers, agents or employees arising out of or related to the duties, functions and obligations of a business partner.

§225.45. Customer Fees.

(a) A business partner shall complete a Business Partner Automation Disclaimer form, REG 4020 (Rev. 1/2004) for each DMV transaction when a customer fee is charged. EXCEPTIONS: (1) A business partner completing a conditional sales contract or lease agreement pursuant to Civil Code section 2982, 2982.5 or 2985.8 may disclose the amount of any optional Business Partnership Automation program fee to process transactions identified in Section 225.45(b)(1) through (3) of these regulations using the sales contract or lease agreement in place of the Business Partner Automation Disclaimer form. (2) A business partner acting as a salvage pool, as specified in Vehicle Code Section 543, shall be exempt from completing the form. (3) A business partner acting as a licensed registration service, as specified in Vehicle Code Section 505.2, may disclose the amount of any optional Business Partnership Automation program fee to process transactions identified in Section 225.45(b)(1) through (3) of these regulations using the methods required under Section 330.30, of Title 13 in the California Code of Regulations in place of the Business Partner Automation Disclaimer form.

(1) The business partner shall obtain the customer's signature on the form after the business partner enters on the form the fee amount that the business partner is charging to process the transaction.

(2) The business partner shall provide the completed original of the Business Partner Automation Disclaimer form to the customer, shall keep a completed copy, and shall send a copy to the department with the transaction documents. Voided copies of the form shall be retained with the completed copies kept by the business partner pursuant to Section 225.60 of these regulations.

(3) The Business Partner Automation Disclaimer form is hereby incorporated by reference.

(b) A customer may be charged the following maximum amounts for each type of transaction processed through to completion by a business partner.

(1) Licensed vehicle dealers and licensed dismantlers may charge up to \$25 for any transaction authorized under the Business Partnership Automation Program, in addition to any other fees authorized by statute.

(2) Licensed registration services may charge up to \$25 for a registration renewal, a substitute vehicle license plate and sticker, a substitute vehicle license plate sticker, a miscellaneous original, new vessel, a legal owner transfer, a duplicate title, or new vehicle report of sale transaction; up to \$75 for a junk, vehicle transfer, a non-resident or nonrevivable junk vehicle transaction; and up to \$75 for any other authorized transaction.

(3) Salvage pools may charge up to \$75 for salvage and non-repairable vehicle certificates.

(c) Business partners are not authorized to charge a fee for Vehicle License Fee refund transactions.

NOTE: Authority cited: Sections 1651 and 1685, Vehicle Code. Reference: Section 1685, Vehicle Code.

§225.48. Transaction Fee.

(a) A first-line business partner and a first-line service provider shall pay a transaction fee to the department, pursuant to subdivision (d) of Vehicle Code section 1685, in the amount of three dollars) (\$3) for each new vehicle report of sale transaction and each transaction processed through to completion. The transaction fee may be charged to the customer in addition to the customer fees authorized in Section 225.45 of these regulations. EXCEPTION: Payment of a transaction fee for vehicle license fee refund transactions shall not be required.

(b) The transaction fee shall be paid to the department by the due date designated on the billing notice. The payment of the fee based on the billing notice shall be sent by traceable mail to the Department of Motor Vehicles, BPA Program Administrator, 2415 1st Avenue, MS - ~~E383~~ **C383**, Sacramento, CA 95818.

(c) Upon notification of insufficient funds or closed account status for the payment of transaction fees or failure to pay by the due date designated on the billing notice, the department shall suspend interface access until payment for all fees and charges is received.

NOTE: Authority cited: Sections 1651 and 1685, Vehicle Code. Reference: Sections 1685, Vehicle Code.

§§225.54. Transaction Procedures and Inventory Requirements.

A business partner shall process transactions and control inventory according to the “*BPA Transaction Procedures and Inventory Requirements Handbook*” (Revised ~~April 2007~~ **July 2007**), which is hereby incorporated by reference.

NOTE: Authority cited: Sections 1651 and 1685, Vehicle Code. Reference: Section 1685, Vehicle Code.

§225.72. Voluntary Closing.

(a) A first-line service provider shall comply with the following procedures to close a site location within thirty (30) days of cancellation or expiration of the BPA contract:

(1) The first-line service provider shall collect all unassigned accountable and controlled inventory from all of its second-line business partner sites.

(2) The first-line service provider shall complete a Physical Inventory (Non-DMV Entities) form, ADM175A (Rev. 2/2000), by recording all of the unassigned accountable inventory on the form and signing the form.

(3) The first-line service provider shall update the status of its accountable inventory on the BPA Inventory Database system.

(4) The first-line service provider shall return the Physical Inventory (Non-DMV Entities) form and all accountable inventory by trackable US mail or private carrier to: Department of Motor Vehicles, ~~Automated Inventory Management Systems Unit~~ **Forms and Accountable Items Section**, 2570 24th Street, MS G202, Sacramento, CA 94232-3820.

(5) The first-line service provider shall return all controlled inventory by trackable US mail or private carrier to: Department of Motor Vehicles, Inventory Management, 4201 Sierra Point Drive, Suite 112, Sacramento, CA 95834.

(6) The first-line service provider shall return all transactions and supporting documentation by trackable US mail or private carrier to: Department of Motor Vehicles, ~~Manager Field Office Support Unit,~~ Business Partner Automation Audits Unit, 2415 1st Ave, MS ~~E250~~ C380, Sacramento, CA 95818.

(7) The first-line service provider shall return the permit by trackable US mail or private carrier to: Department of Motor Vehicles, BPA Program Administrator, 2415 1st Avenue, MS ~~D466~~ C383, Sacramento, CA 95818.

(b) A first-line business partner shall comply with the following procedures to close a site location within thirty (30) days of cancellation or expiration of the BPA contract.

(1) The first-line business partner shall collect all unassigned accountable and controlled inventory from all branch site locations.

(2) The first-line business partner shall complete a Physical Inventory (Non-DMV Entities) form, ADM175A (Rev. 2/2000) by recording all unassigned accountable inventory on the form and signing the form.

(3) The first-line business partner shall record the status of its accountable inventory on the BPA Inventory Database system.

(4) The first-line business partner shall return the Physical Inventory (Non-DMV Entities) form and all accountable inventory by trackable US mail or private carrier to: Department of Motor Vehicles, ~~Automated Inventory Management Systems Unit~~ Forms and Accountable Items Section, 2570 24th Street, MS G202, Sacramento, CA 94232-3820.

(5) The first-line business partner shall return all controlled inventory by trackable US mail or private carrier to: Department of Motor Vehicles, Inventory Management, 4201 Sierra Point Drive, Suite 112, Sacramento, CA 95834.

(6) The first-line business partner shall return all transactions and supporting documentation by trackable US mail or private carrier to: Department of Motor Vehicles, ~~Manager Field Office Support Unit,~~ Business Partner Automation Audits Unit, 2415 1st Ave, MS ~~E250~~ C380, Sacramento, CA 95818.

(7) The first-line business partner shall return the BPA permit by trackable US mail or private carrier to: Department of Motor Vehicles, BPA Program Administrator, 2415 1st Avenue, MS ~~E383~~ C383, Sacramento, CA 95818.

(c) A second-line business partner and its first-line service provider shall comply with the following procedures to close a second-line business partner site location within thirty (30) days of cancellation or expiration of the BPA contract.

(1) The second-line business partner shall collect all unassigned accountable and controlled inventory and return it to its first-line service provider within seven (7) days of the cancellation or expiration of the BPA contract.

(2) The first-line service provider may redistribute the unassigned accountable inventory to its other second-line business partners.

(3) The second-line business partner shall return all transactions and supporting documentation to its first-line service provider within seven (7) days of the cancellation or expiration of the BPA contract. The first-line service provider shall return all transactions and supporting documentation by trackable US mail or private carrier to: Department of Motor Vehicles, ~~Manager Field Office Support Unit,~~ Business Partner Automation Audits Unit, 2415 1st Ave, MS ~~E250~~ C380, Sacramento, CA 95818.

(4) The second-line business partner shall return the BPA permit by trackable US mail or private carrier to: Department of Motor Vehicles, BPA Program Administrator, 2415 1st Avenue, MS ~~E383~~ C383, Sacramento, CA 95818.

NOTE: Authority cited: Sections 1651 and 1685, Vehicle Code. Reference: Section 1685, Vehicle Code.